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Regulation Comments
 Chief Counsels Office
 Office of Thrift Supervision
 1700 G Street, NW
 Washington, D.C. 20552
 Attn: Docket No. 2002-17

Re: Proposed Revisions to Parity Act Regulations

Gentlemen:

The Illinois Association of Mortgage Brokers (the "IAMB") is an Illinois trade association representing Illinois residential mortgage origination companies, mortgage lenders and their industry vendors. Member companies of the IAMB number 730 and it is estimated that such companies employ over 6,000 people in the State of Illinois.

The IAMB since its inception has been consistent in endeavoring to have all residential mortgage lenders or originators treated equally under rules that govern residential mortgage loan origination. Our membership welcomes federal rules that apply to all such entities such as the Real Estate Settlement and Procedures Act ("RESPA") and the Truth in Lending Act ("TILA"). Our intention is to seek a "level playing field" under which all mortgage origination companies/ lenders are governed by and follow the same set of clearly defined rules.

Under that standard the IAMB has always supported the Alternative Mortgage Transaction Parity Act (the "Parity Act") since by its very essence it places all lenders, whether state or federal on the same "level playing field" as to the defined subset of "alternative mortgages". The State of Illinois has never "opted out" of the Parity Act and since its inception in 1982 licensed Illinois lenders were allowed to originate such mortgages on an equal footing with federally chartered lenders. The IAMB believes that the offering of such mortgage products by both state and federally chartered lenders has led to increased competition with direct benefits to Illinois consumers.

The IAMB strongly objects to deleting certain OTS regulations which are now applicable to Illinois non-federally licensed lenders as such sections relate to late charges (Section 560.33) and prepayment penalties (Section 560.34). The result of such a rules change can only benefit non-state chartered lenders (i.e. federally chartered banks and thrifts) giving them a tremendous competitive advantage over state licensed lenders - all to the detriment of Illinois consumers.

Finally the IAMB takes great exception to the reference on the top of page 9 to the assertion (apparently by various commentators) that the Parity Act allows non-depository institutions to piggyback on federal preemption and "facilitate predatory practices." To the extent this proposed revision seeks to address "predatory practices" it should be incumbent on the OTS to clearly define (i) what such practices are; (ii) how the proposed revision would remedy such practices; and (iii) the lack of existing alternative mechanisms (regulatory and judicial) to remedy such defined practices.

In the event that you have any questions in regard to this letter, please do not hesitate to contact the undersigned.

Very truly yours,
 Illinois Association of Mortgage Brokers

Donald Starks, President

Rob Hardman, President-Elect